



Homeland
Security

Update on Implementation of the Chemical Facility Anti-Terrorism Standards and Development of Ammonium Nitrate Regulations

2010 Chemical Sector Coordinating Council Security Summit

Agenda

- ▶ Chemical Facility Anti-Terrorism Standards (CFATS)
 - Implementation Status
 - Current Activities
 - *Personnel Surety*
 - *Pre-Authorization Inspections*
 - *Site Security Plans*
- ▶ CFATS Initiatives
 - CFATS Knowledge Center
 - Basic Inspector School
 - CFATS Share
 - Administrative Orders
- ▶ Ammonium Nitrate



Chemical Facility Anti-terrorism Standards

- ▶ DHS has made significant progress developing and implementing the CFATS program since being granted Congressional authority to regulate security at high-risk chemical facilities under Section 550 of the DHS Appropriations Act of 2007
- ▶ As of June 2010 CFATS covers **4,997** facilities (**4110** Final tiered facilities, **887** preliminarily tiered facilities) in all 50 states and several territories

Final Tier	Total Facilities With Regulated Final Tier	Awaiting Final Tier
1	226	4
2	531	40
3	1132	126
4	2221	717
Total	4110	887

CFATS Implementation Progress

▶ **Currently:**

- Over **38,000 Top-Screens** submitted and reviewed
- Over **6,000 Security Vulnerability Assessments** submitted and reviewed
- Over **3,100 Site Security Plans** submitted and in review
 - *Over 2,855 have been through a QA/QC review and scored*
 - *Detailed review by Federal staff ongoing*
- Over **244 Compliance Assistance Visits** at facilities by DHS Chemical Inspectors – an average of 2.5 per week
- Over **150 facility-specific outreach discussions**

CFATS Implementation Progress

- **ISCD responds to 40 – 50 inquiries from regulated facilities daily** under normal circumstances and around **80 inquiries daily** when regulatory deadlines are nearing
- **47 Pre-Authorization Inspections** have been completed to date:
 - *ISCD now has ramped up to 30-40 pre-authorization inspections **per month***
 - *3 Corporate Reviews/Inspections have been completed, representing partial inspection of dozens of facilities*
- **Authorization Letters for some site security plans** are now being issued
- More than **55 Technical Consultations** with facilities to address specific compliance concerns
- We expect to complete **final facility tier notifications** by the end of this summer

Current Activities

- ▶ In addition to some of the initiatives I'll highlight today, ISCD will be providing you with more details on several significant activities including:
 - **Personnel Surety** – ISCD will participate in a breakout session today and highlight efforts to evaluate and respond to comments received by DHS during the Information Collection Request that was issued in April.
 - **Lessons Learned from Pre-authorization Inspections** – ISCD will participate in 3 breakout sessions today highlighting lessons learned from the 47 pre-authorization inspections we've completed and outline what you can expect if a PAI is scheduled for your site.
 - **Site Security Plans** – Both today's inspection panel and tomorrow's compliance panel will feature ISCD speakers explaining some of the issues we've identified and the steps we're taking with the regulated community and within ISCD to enhance submissions so that we can issue more SSP authorization letters.

Pre-Authorization Inspections

- ▶ To assist in resolving the SSP issues, ISCD initiated pre-authorization inspections in February 2010
 - Generally speaking, the pre-authorization inspections will occur first at the final tier 1 facilities
 - Pre-authorization inspections are being conducted with facilities as a means of improving the SSP submittal with the goal that the facility receives a Letter of Authorization
 - If a facility is contacted for a pre-authorization inspection, DHS will contact the representative to determine if a corporate level review is also appropriate
 - Following the pre-authorization inspections, several facilities have resubmitted their SSPs and received Letters of Authorization
- ▶ After issuing the Letter of Authorization, DHS will conduct a final inspection to verify compliance, leading to either a formal Letter of Approval or identification of areas that need correction

CFATS Knowledge Center

- ▶ The Knowledge Center represents the new online repository for CFATS-related information:
 - FAQ's
 - Articles on specific topics
 - User guides and other CFATS documents
 - Program news and developments
- ▶ Provides a single point of access to information that was previously in multiple locations
- ▶ Full-text search capability will streamline searches for information and FAQ
 - Information may be accessed in multiple ways – by type (e.g., all FAQ's) or topic (e.g., all content about the Top-Screen)
 - Will identify articles or other materials related to a search
- ▶ The Knowledge center is now live and accessible at WWW.DHS.GOV/CHEMICALSECURITY

Basic Inspector School

- ▶ Currently, ISCD has eleven Regional Commanders and 77 Chemical Inspectors
- ▶ Yesterday marked the launch of Basic Inspector School training for an additional 20 ISCD Chemical Inspectors
- ▶ Each candidate will participate in a total of 14 weeks of classroom and field training and certification
- ▶ Skills and knowledge required of a Chemical Security Inspectors:
 - CFATS Regulation
 - CSAT
 - Physical Security
 - Hazardous Materials Technician
- ▶ Chemical Inspectors must complete certain safety courses such as: confined space, chemical process safety, and respiratory protection

CFATS Share Portal

- ▶ ISCD continues to work with our Federal and State partners as we evaluate the appropriate sharing of CFATS information with stakeholders with a “need-to-know”
- ▶ CFATS Share – ISCD recently launched a secure, web-based portal where select Federal and State partners are provided situational awareness of CFATS covered facilities and potential risks associated with those facilities
- ▶ The information in the application is protected and users have to be Chemical-Terrorism Vulnerability Information (CVI) Authorized Users and have a “need-to-know,” as determined by ISCD Headquarters, before receiving access to this portal

Other CFATS Activities

- ▶ ISCD Staffing – Our program continues to grow, with 168 headquarters and field personnel in place and we're actively posting, interviewing, and filling another 100 positions to bring our total staffing to 268 by this fall
- ▶ Outreach –
 - We're emphasizing outreach with the regulated community to provide the latest information and compliance assistance on the CFATS program
 - We have provided targeted outreach to several sectors where chemicals of interest appear to be underreported – raising awareness and encouraging the completion of CFATS obligations
 - We're pleased to share copies of several CFATS brochures today – one highlighting Colleges and Universities and the other for Emergency Responders. These represent additional tools as we expand outreach efforts to engage broader audiences that need to know about the requirements and the roles for these stakeholders

Administrative Orders

- ▶ DHS continues to implement CFATS aggressively
- ▶ DHS recently issued Administrative Orders to 18 chemical facilities for failure to submit a Site Security Plan. These are the first Administrative Orders issued under CFATS.
- ▶ All 18 sites were notified of their SSP submission requirement in 2009 and had 120 days to complete the document. All of these sites had SSP deadlines prior to February 15, 2010. All were also issued warning letters as an additional reminder.
- ▶ An Administrative Order does not impose any penalty or fine, but simply directs the facility to take specific action to comply with CFATS--in this case, to complete the SSP within 10 days of receipt. Administrative Orders are the first step toward enforcement under CFATS.
- ▶ The facility may either comply with the Administrative Order by completing the SSP, or it may contest the Order via the Adjudications Process under CFATS. If a facility does neither, DHS may later issue an Order Assessing Civil Penalty.

Ammonium Nitrate

- ▶ Congress granted the Department authority to regulate the sale and transfer of ammonium nitrate in Section 563 of the FY08 Homeland Security Appropriations Act
- ▶ On October 29, 2008, DHS published an Advance Notice of Proposed Rulemaking (ANPRM) summarizing the activities expected to be covered by its AN regulations
- ▶ Comments were received on a variety of issues and have been considered by DHS in developing the Notice of Proposed Rulemaking
- ▶ We anticipate completing the DHS internal review of the Notice of Proposed Rulemaking (NPRM) in the coming months and are planning to publish the proposed rule this fall

Ammonium Nitrate

- Key provisions will address:

Definition of ammonium nitrate	Registration activities	Point of sale requirements
Recordkeeping	Reporting theft or loss	Inspections and audits
Civil penalties	Adjudication and appeals	Guidance materials

- Section 563 also requires DHS to:
- Consult with security partners as it develops the regulations
 - Consider certain regulatory approaches such as:
 - *Explosives Exemption*
 - *Delegation of Authority*

Help Desk Contact Information

- ▶ The Help Desk toll-free number is 1-866-323-2957
 - Hours of Operation are 7:00AM – 7:00PM, Monday through Friday
 - The Help Desk is closed for Federal Holidays
- ▶ The Help Desk email address is CSAT@DHS.gov
- ▶ For the CFATS Knowledge Center and CVI training go to **WWW.DHS.GOV/CHEMICALSECURITY**